

# Healthy Incentives Pilot



## HIP

A Pilot of the MA Department of Transitional Assistance

### **W. MA SNAP Coalition Meeting**

December 4, 2012

**Frank Martinez Nocito**

Fresh. Canned. Dried. Frozen.

It's **HIP** to be healthy!



# What is HIP?

- HIP households receive an incentive of additional SNAP dollars (30 cents on the dollar on eligible purchases) when they use their SNAP benefit to buy HIP target fruits and vegetables
  - Shop at participating HIP food retailers
  - Substantial cash register system changes to calculate, apply and display incentive
  - Incentive benefit available immediately for any future SNAP purchase
  - Incentive cap of \$60 per month per household

# Timeline

**August 17, 2010**

Award announced

**September 2010 – October 2011**

Planning, testing and training of pilot systems

**November 2011 – December 2012**

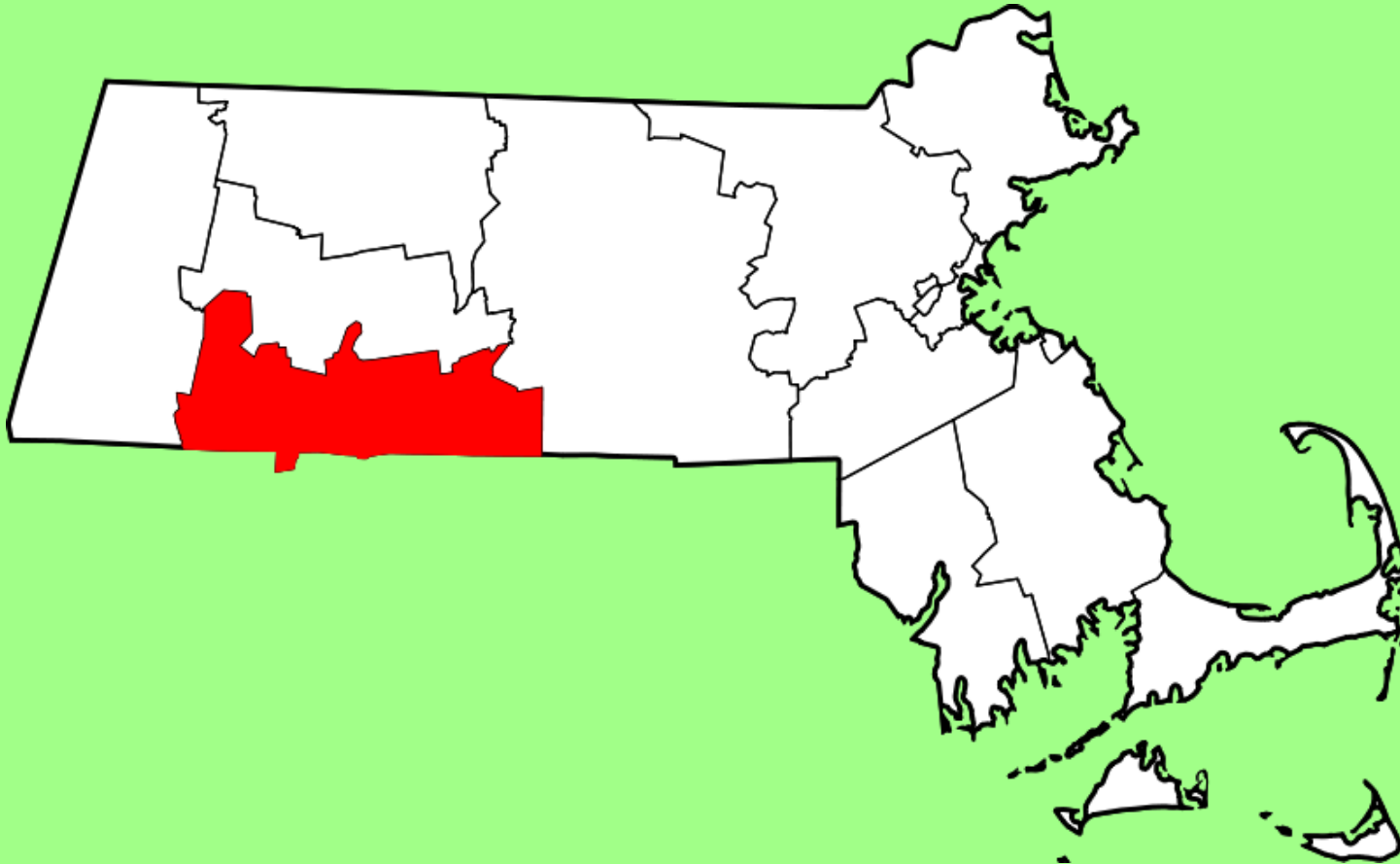
**Operation phase of pilot (14 months)**

(Each household receives incentive for a 12 month period)

**January 2013 – June 2013**

HIP operations close out, final evaluation, reporting

# Hampden County: HIP Pilot Site



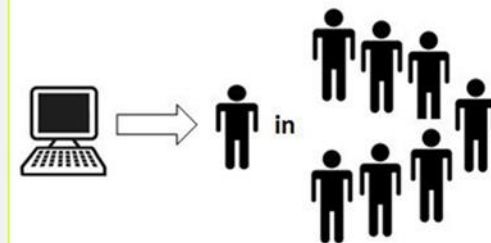
# HIP Stakeholders

- DTA
- FNS
- Xerox
- Novo Dia Group
- Abt Associates
- Third Party Providers
- Software Providers
- Retailers
- Farmers Markets
- Community Partners
- Vendors



# HIP Participant Selection

- 7,500 SNAP households from Hampden County were randomly selected



- Of these, 1,500 selected to serve as the experimental group to study the impact of the incentive
  - An additional 1,500 households not participating in HIP selected to serve as the control group to study the impact of not receiving the incentive
- Staggered start with 2,500 each month:
    - November 2011
    - December 2011
    - January 2012
  - Once HIP, always HIP

# How does HIP work?



**\$40 spent on food with  
your SNAP EBT card**

**includes**



**\$10 spent on  
HIP target  
fruits and  
vegetables**

**HIP benefit**

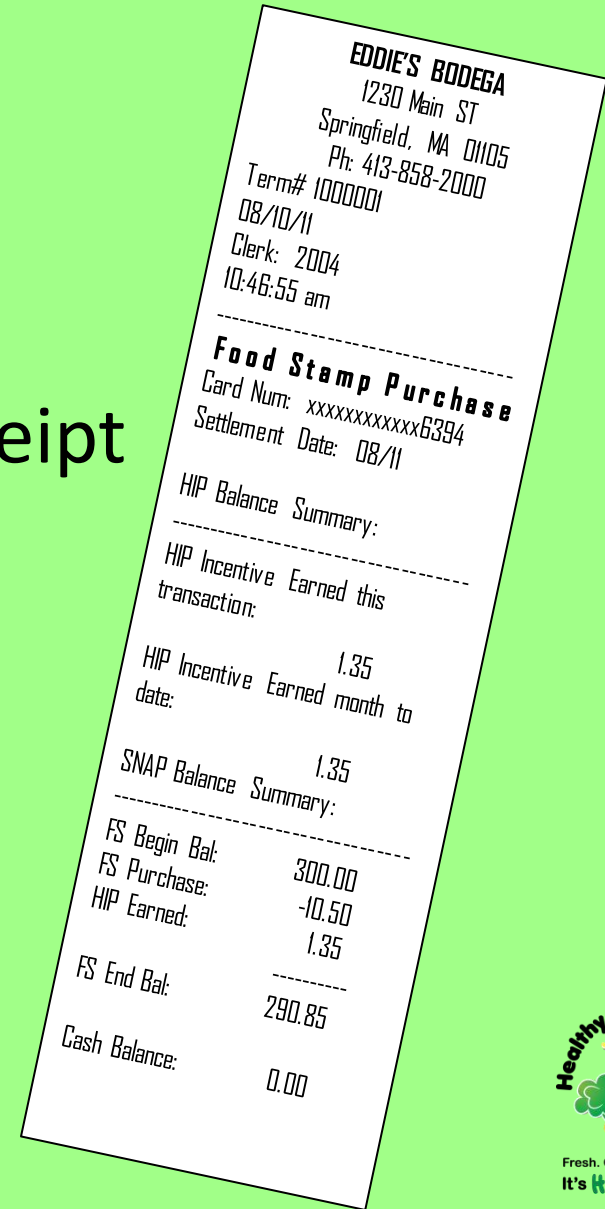


**\$3 credit to  
your EBT card  
for future  
SNAP purchases**



# How does HIP work?

- ❑ HIP retailers list
- ❑ Store checkout
- ❑ Reading the receipt





# HIP Target Foods

- ❑ HIP eligible foods are healthy fruits and vegetables
- ❑ Consistent with nationally federal regulations for the WIC Fruit and Vegetable Voucher
- ❑ Can be fresh, canned, dried or frozen
- ❑ With no added sugars, salt, fats or oils, with some exceptions





# HIP Community Partners

## *Involvement of 75 HIP Community Partners*

- ❑ Provided referrals— information about HIP and partner retailers to selected participants
- ❑ Identified, recruited and sustained retailers
- ❑ Hosted information sessions for HIP participants and partners
- ❑ Reviewed HIP training materials and inserts
- ❑ Provided interpreter and translation support
- ❑ Served on HIP Steering Committee
- ❑ Participated in focus groups
- ❑ Informed SNAP policy and practice

# HIP Food Retailers

- ❑ All SNAP retailers in Hampden County were invited to participate
- ❑ DTA promotes participating retailers to HIP clients and community partners
- ❑ Significant support provided by DTA and Xerox: regular calls, in-person training for staff, site visits, HIP call-line
- ❑ MOUs between DTA, Xerox and each IECR retailer
- ❑ HIP grant pays for the costs of system changes





# HIP Food Retailers

- ❑ DTA worked with Xerox (state EBT vendor), TPPs, and retailers to make all necessary modifications to existing EBT and POS systems and processes
- ❑ IECR systems that include scanners and point-of-sale (POS) interfaces were reprogrammed to identify HIP target foods, calculate and transmit the value and print resulting incentive values on receipts.
- ❑ Stand-alone (side-by-side) POS terminals and voucher systems were created to manually enter a separate subtotal of HIP target foods— based on visual HIP identification.
- ❑ Incentive amount and accumulated monthly value of incentives is displayed on the cash register receipts.
- ❑ Incentive benefit available to participant immediately for future SNAP purchases.

# HIP Retailers: Final Count

□ Total of 118 HIP retailers in/out Hampden County

- 102 retailers
- 12 farmers markets
- 3 farm stands
- 1 mobile market

HIP Retailers	# HIP stores- Inside Hampden County	# HIP stores- Outside Hampden County
EBT-onlys	37	-
Cumberland Farms	17	-
Geissler's	1	6
PriceRite	4	1
Stop & Shop	10	6
Walmart	3	13
New IECRs	4	-
Farmers Markets	12	-
Farm Stands	2	1
Mobile Markets	1	
<b>TOTAL</b>	<b>91</b>	<b>27</b>



# HIP Retailer Partners

- Hampden County authorized SNAP retailers = 505\*
  - \$15.5m in SNAP benefits redeemed monthly
  - Top four redeemers are chain retailers
    - 3 of these chains are participating in HIP
- Participating HIP retailers = 118
  - Account for 23% of the total Hampden County SNAP retailers and 62% of the total SNAP redemption
  - 9 HIP IECRs (chain retailers) represent
    - 56% of the total HC SNAP redemption
    - 95% of the total HIP retailer's SNAP redemption
  - 6 of the top 10 Hampden County SNAP redeemers participating in HIP

*\*Based on August 2012 retailer data.*



# HIP Retailer Signage

- ❑ Developed with retailer partners
- ❑ Increase HIP visibility at retailer locations
- ❑ Raise awareness for HIP clients
- ❑ Six styles of retailer signs
  - Door decals: 4" x 5"
  - Freezer decal: 4" x 5"
  - Shelf strip: 1 ¼" x 2"
  - Adhesive sign: 3" x 4"
  - Standee: 22" x 66"; logo area—15.8" x 15.8
  - Produce stickers: ¾" round
- ❑ Posted until December 31, 2012

# HIP Retailers Signage: Examples



*Walmart HIP standee*



*Freezer decal*



*Adhesive sign*





# HIP at the Farmers Markets

- Partnership between with MA Dept. of Agricultural Resources, Community Involved in Sustaining Agriculture, Mass Farmers Markets
- 3 models will test HIP and SNAP
  - *HIP tokens*
  - *eHIP*
  - *Mobile Market+*
- Launched on June 1<sup>st</sup>
  - *12 Farmers Markets*
  - *3 Farm Stands*
  - *1 Mobile Market*
- Market staff training and support
- Wireless verses EBT only POS terminals
- Evaluation

# HIP at the Farmers Markets

## □ HIP tokens

- Builds on existing token system at markets
- SNAP/HIP transactions processed through the EBT-only POS machine to Xerox
- SNAP clients purchase tokens with EBT card at centralized cashier/Market Manager
- HIP and SNAP tokens distributed in prescribed denominations (\$1.00 or \$2.50) according to client's request
- Farmers paid via manual receipt

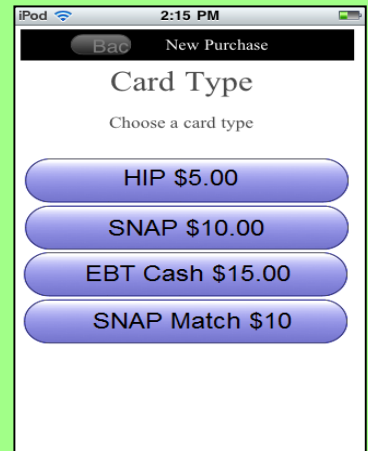




# HIP at the Farmers Markets

## □ e-HIP

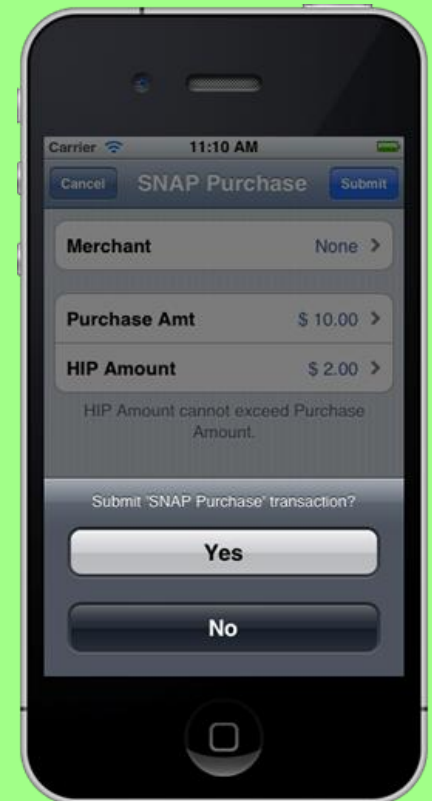
- Transactions (SNAP/HIP) are processed to Xerox through EBT only POS machine
- SNAP clients purchase electronic credits with their EBT card at centralized cashier /market manger
- e-HIP manager loads credits onto local web service (via a laptop). Info accessible to all SNAP vendors, each with a WiFi enabled iPod
- Clients make purchases at any SNAP/HIP vendor. EBT card swiped as an identifier
- Client lets vendor know from what funding stream (SNAP, HIP, cash EBT). Product type & purchase amount is entered, approved or denied, and transaction is completed
- Farmers paid by manger from electronic record



# HIP at the Farmers Markets

## □ Mobile Market+

- SNAP/HIP Transactions are processed directly to Xerox through a wireless iPod device, acting as POS
- Client approaches vendor to make a purchase
- Client identifies type of transaction
- Vendor swipes EBT card and makes a transaction like a POS machine
- Farmers paid by manager via electronic record



# Evaluation Objectives

- ❑ Estimate the impact of HIP on individual food consumption
- ❑ Determine the factors that influence how HIP impacts participants
- ❑ Describe the implementation and operation of HIP
- ❑ Examine the effects of HIP on the grantee and its partners
- ❑ Estimate the costs associated with HIP, including a projection of what it would cost to implement HIP nationwide



# Data Collection Activities

- Participant data
  - Surveys
  - 24-hour dietary recalls
  - Focus groups
- Stakeholder data
  - Retailer surveys/observations
  - Interview with State and local SNAP officials, State and local partners, EBT vendors and 3<sup>rd</sup> party processors
- Administrative data
  - SNAP case file data
  - EBT data
  - State cost reports



# HIP Participation Strategies

- HIP Clients- Notifications
  - Notice #5: HIP brochure #2, Farmers Market insert, Retailer list
  - Notice #6: Customized mailing, Community Partner insert, Recipe cards
  - Notice #7: Updated Retailer list and Farmers Market insert
- Retailers- store signage
  - Options
  - August 31, 2012 installation
- Community Partners- insert





# HIP Reports Schedule *(tentative)*

## ❑ Implementation Report

- ❑ Late Fall 2012—experiences of the early implementation phase of HIP

## ❑ Interim Report

- ❑ Late Spring 2013—addresses the initial findings and overall goals of the evaluation

## ❑ Final Report

- ❑ Late Fall 2013—final analyses, addresses full evaluation outcomes

## ❑ Final Project Report

- ❑ Late Summer 2013—pilot planning, implementation, operations and closeout

## ❑ Summary Report

- ❑ Early 2014—major evaluation findings, written in non-technical language

# Successes & Lessons Learned

- ❑ Diversity of partnerships
- ❑ Retailer recruitment
- ❑ Communications with clients
- ❑ Pilot vs. permanent
- ❑ Time required and timing
- ❑ Systems changes for EBT vendor, retailer complex
- ❑ Changing environment





# HIP: Summary

- ❑ Demonstration pilot to test the effects of financial incentive on SNAP recipients' purchase and consumption of fruits and vegetables
- ❑ Outcomes
  - Access to and consumption of healthy foods
  - Healthier communities through collaboration and partnerships
  - Integration of best practices
  - Inform national policy

# For More Information

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